

U.S. House of Representatives

COMMITTEE ON VETERANS' AFFAIRS

ONE HUNDRED SEVENTEENTH CONGRESS

B-234 LONGWORTH HOUSE OFFICE BUILDING

WASHINGTON, DC 20515

<http://veterans.house.gov>

March 2, 2021

The Honorable Dennis McDonough
Secretary
U.S. Department of Veterans Affairs
810 Vermont Ave., NW
Washington, DC 20420

Dear Mr. Secretary:

I am writing concerning the U.S. Government Accountability Office's (GAO's) latest update to the High-Risk Series¹, which was issued earlier today. This report described that the Department of Veteran Affairs (VA) has three high-risk areas, including VA acquisition management.

GAO added VA acquisition management to its high-risk list 2 years ago, detailing that VA needed to demonstrate greater leadership commitment and strategic planning to ensure efficient use of its acquisition funding and staffing resources. VA has one of the most significant acquisition functions in the federal government, both in obligations and the number of contract actions, spending tens of billions of dollars annually to contract for goods and services. GAO noted that "VA faces several long-standing medical supply chain challenges, further exacerbated by the demands of the COVID-19 pandemic." Of course, without a modern, effective acquisition management system, veterans remain exposed to risks of medical supply shortages, and the Department will see continued waste and inefficiency.

I am encouraged that VA had partially met two of the five GAO criteria—leadership commitment and capacity—by taking positive steps forward in the last 2 years. VA established a governance structure and Executive Steering Committee, as well as appointed a permanent Chief Acquisition Officer. VA also took key steps to update its acquisition regulations, address training gaps, and initiate inventory management system and prime vendor modernization efforts. However, as GAO stated in the High-Risk report, many of its recommendations remain unimplemented.

I am confident that you and your leadership team will provide continued attention and resources to lead sustainable improvements to VA acquisition management. However, GAO

¹GAO, *High-Risk Series: Dedicated Leadership Needed to Address Limited Progress in Most High-Risk Areas*, [GAO-21-119SP](#) (Washington, D.C.: March 2, 2021).

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noted that VA has yet to provide Congress with a corrective action plan to address deficiencies and, over time, that will allow its removal from GAO's high-risk list. I ask that you provide the Subcommittee with VA's action plan.

Thank you for your attention to this important issue. I look forward to working with you during the months ahead.

Sincerely,

A handwritten signature in black ink that reads "Chris Pappas". The signature is written in a cursive, flowing style with a large initial "C".

Chris Pappas

Chairman

Subcommittee on Oversight & Investigations